

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 2021-76-E - ORDER NO. 2021-__

July __, 2021

IN RE:	Application of Duke Energy)	
	Carolinas, LLC for Approval of)	
	Demand-Side Management and)	ORDER APPROVING RIDER 13
	Energy Efficiency Rider 13,)	
	Decreasing Residential Rates and)	
	Increasing Non-Residential Rates)	
	_____)	

This matter comes before the Public Service Commission of South Carolina (“Commission”) on the Application of Duke Energy Carolinas, LLC (“DEC” or “the Company”) for approval of Demand-Side Management (“DSM”) and Energy Efficiency (“EE”) Rider 13 (“Rider 13”). The Company filed the Application on March 1, 2021, and made certain corrects to the proposed Rider EE attached to the Application through a filing on March 25, 2021.

Calculations for Rider 13 were computed in accordance with the Application, settlement agreement and the Commission Order 2021-32 in Docket No. 2013-298-E. The specific components of Rider 13 include:

- a. Year 2017, January 2017 – December 2017: True-up of Year 1, Year 2, Year 3 and Year 4 lost revenues.
- b. Year 2018, January 2018 – December 2018: True-up of Year 1, Year 2, Year 3 and Year 4 lost revenues.
- c. Year 2019, January 2019 – December 2019: true-up of shared savings and true-up of Year 1 and Year 2 lost revenues and an estimate of Year 4 lost revenues.

- d. Year 2020, January 2020 – December 2020: true-up of program costs, shared savings and true up of Year 1 of lost revenue and an estimate of Year 3 lost revenues.
- e. Year 2021, January 2021 – December 2021: estimate of Year 2 lost revenues.
- f. Year 2022, January 2022 – December 2022: estimate of program costs, shared savings, and Year 1 lost revenues, as well as an estimate of 2022 existing DSM program costs. Year 2022 sharing savings include Program Return Incentive (“PRI”) in addition to Program Portfolio Incentive (“PPI”).

The revenue DEC proposed to be recovered through the proposed Rider 13 is \$37,734,625 for Residential Customers and \$42,293,907 for Non-Residential Customers.

A Petition to Intervene was filed by and subsequently granted as to Walmart Inc. A Joint Petition to Intervene was filed by and subsequently granted as to the Southern Alliance for Clean Energy and the South Carolina Coastal Conservation League (“SACE/CCL”). The Office of Regulatory Staff (“ORS”) is a party to this proceeding as per S.C. Code Ann. § 58-4-10(B).

DEC moved for Commission consideration of the Application without hearing pursuant to S.C. Code Ann. § 58-27-870(F). Under the terms of S.C. Code Ann. § 58-27-870(F), a proposed rate may be put into effect without a hearing, *inter alia*, when the proposed rate does not require a determination of the entire rate structure and overall rate of return, and when the new rate will facilitate an orderly rate administration, all of which are true in this case. Further, since there are also no objections from the parties, the waiver of the hearing is granted.

According to the Application, the recovery mechanism of the EE/DSM portfolio has four components: (1) recovery of the costs the Company incurs to offer and deliver EE and DSM programs to customers; (2) recovery of net lost revenues incurred for up to thirty-six (36) months

of a measure's life for EE programs; (3) a shared savings incentive that is equivalent to 10.6% of net savings achieved through the Company's portfolio of EE/DSM programs, referred to as PPI; and (4) a PRI based on a percentage of the gross avoided costs of those programs eligible for the PRI.

The ORS filed its review report, which included a recommendation to approve Rider 13 as proposed by the Company. ORS noted the Company's non-residential Energy Wise for Business ("EWfB") and non-residential Information Technology Energy Efficient ("ITEE") Programs have not passed cost effectiveness testing and ORS recommended the Company monitor these programs closely and incorporate the necessary changes to improve their cost-effectiveness. We have examined ORS's recommendations and agree. The Company shall continue to monitor and seek program enhancements designed to improve the cost-effectiveness of the non-residential EWfB and ITEE programs.

While SACE/CCL made a number of recommendations related to the Company's EE/DSM programs within this Rider 13 proceeding, we find that such recommendations are more appropriately addressed within the Collaborative.

IT IS THEREFORE ORDERED:

1. That DEC's request to implement Rider 13 is approved. The rider shall be in effect from January 1, 2022, to December 31, 2022, or until further order of the Commission.
2. That DEC shall file its tariff for the approved rates on or before December 30, 2021 using the Commission's E-Tariff filing system. The tariff shall be consistent with the findings of this Order and shall be consistent with the Commission's Rules and Regulations.
3. That this Order shall remain in full force and effect until further order of the Commission.

BY ORDER OF THE COMMISSION:

Justin T. Williams, Chairman

ATTEST:

Jocelyn Boyd, Chief Clerk/Executive Director